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METROPOLITAN WASHINGTON, D.C.

AREA LABOR SUMMARY

THE D.C. DEPARTMENT OF EMPLOYMENT SERVICES

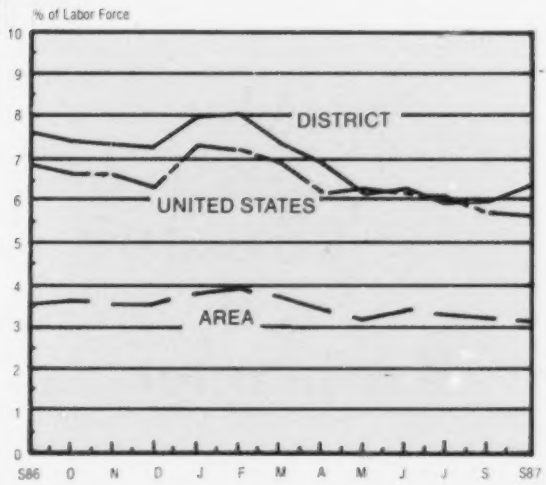
DATA FOR SEPTEMBER 1987 DECEMBER 1987

Labor Market Makes Seasonal Adjustments

D.C. Rate Up To 6.4%

Labor Force

Unemployment Rates
September 1986 to September 1987



The District

September saw the District's labor market make seasonal downward adjustments from earlier expansions in temporary summer jobs. As a result, the District's unemployment rate jumped from 6.0 percent in August to 6.4 percent in September. Between August and September, the number of jobless District residents increased by only 300 workers, or 1.4 percent. However, the total pool of District residents working or looking for work (the labor force) tightened significantly—declining by 18,200 workers or 5.1 percent. This September decline was virtually the same size as the seasonal increase in the labor force back in July (17,200 workers or 5.0 percent). So, most of the September change represents the seasonal movement of workers into and out of the labor market during the summer months.

However, this year's upward movement in the unemployment rate does not follow the traditional monthly pattern found between August and September. Over the past 15

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Government of the District of Columbia
Marion Barry, Jr., Mayor

Department of Employment Services
F. Alexis H. Roberson
Director

Continued from page 3

increased by 2,900 residents. But because of proportionate increases in both the labor force (59,700 new workers) and employed workers (56,700), the unemployment rate remained unchanged at 2.6 percent of the suburban labor force. Thus, indicating no improvement in the shortage of suburban workers.

Unemployment Rates in the Washington, D.C., MSA by City and County

	Sept.[a] 1987	Aug.[b] 1987	Sept.[b] 1986
District of Columbia	6.4	6.0	7.6
Calvert County	3.9	4.0	3.4
Prince Georges Co.	3.4	3.3	3.2
Frederick County	2.9	3.5	2.6
Charles County	2.9	3.0	2.4
Alexandria City	2.7	2.8	2.8
Stafford County	2.7	2.8	2.3
Montgomery County	2.5	2.4	2.2
Prince William Co.	2.4	2.3	2.3
Manassas City	2.4	2.1	2.4
Falls Church City	2.3	2.0	2.2
Fairfax County	2.2	2.2	2.4
Arlington County	2.1	2.1	2.3
Loudoun County	2.1	2.1	2.2
Manassas Park City	1.8	1.9	2.3
Fairfax City	1.7	1.9	2.3

a. Preliminary.
b. Revised.

Source: Department of Employment Services, Maryland Department of Employment and Training, and the Virginia Employment Commission.

The net result of September labor market activity in the District and its Suburbs was principally a 24,500 person decrease in the size of the Washington area labor pool and a 24,900 person decline in employed workers. In an Area with a labor force of over 2 million workers, these adjustments are relatively minor, thus, the Area's unemployment rate over the month remained unchanged at 3.2 percent.

Characteristics of the Insured Unemployed

The number of individuals receiving unemployment insurance (UI) benefits totalled 8,509 in September 1987—down 1,220 from August. In September, 54 percent of all UI recipients were male. Occupationally, both clerical and sales; and professional, technical, and managerial workers comprised 26 percent of the September claimants. This was followed by service workers at 21 percent. The median duration of the current spell of insured unemployment was 10.3 weeks for all claimants—up from 10.0 weeks in August.

Over the month, the duration for males rose from 10.1 weeks to 10.7 weeks, while that for females increased from 9.6 to 10.0 weeks. In September 1986, the average duration for males was 10.2 weeks and 10.1 weeks for females.

The Area's over-the-year comparison (September 1986 to September 1987) indicates that virtually all of the new workers entering the Area's labor market found employment, for the labor force expanded by an additional 75,900 people and there were 75,800 additional workers with jobs.

On the unemployment side of the over-the-year ledger, the Area registered absolutely no change in the number of unemployed workers. However, the aggregate Area data obscured a 2,900 person increase in the suburban unemployment rolls, because the suburban increase was completely canceled out by a 2,900 person decrease in joblessness in the District. As a consequence of these District and Suburban interactions, the Area's unemployment rate decreased by 0.2 percentage point.

Employment Status for the Civilian Population
District of Columbia, Suburban Ring, and the
Washington, D.C. MSA, September 1987[a]

	Sept.[b] 1987	Aug.[c] 1987	Sept. 1986	Aug. 1986	Net Change From Aug. 1987	Net Change From Sept. 1986
Washington, D.C.						
Civilian Labor Force	339,900	358,100	323,700	341,200	-18,200	16,200
Total Employed	318,200	336,600	299,100	315,400	-18,400	19,100
Total Unemployment	21,800	21,500	24,700	25,800	300	-2,900
Unemployment Rate[d]	6.4	6.0	7.6	7.6	0.4	-1.2
Suburban Ring						
Civilian Labor Force	1,783,700	1,790,000	1,724,000	1,726,000	-6,300	59,700
Total Employed	1,736,600	1,743,100	1,679,900	1,680,300	-6,500	56,700
Total Unemployed	46,900	46,900	44,000	45,800	—	2,900
Unemployment Rate[d]	2.6	2.6	2.6	2.7	—	—
Washington, D.C. MSA						
Civilian Labor Force	2,123,600	2,148,100	2,047,700	2,067,200	-24,500	75,900
Total Employed	2,054,800	2,079,700	1,979,000	1,995,700	-24,900	75,800
Total Unemployed	68,700	68,400	68,700	71,600	300	—
Unemployment Rate[d]	3.2	3.2	3.4	3.5	—	-0.2

a Detail may not add to the totals due to independent rounding.
b. Preliminary.
c. Revised.
d. Seasonally unadjusted.

Estimated Labor Force and Employment for the Washington Metropolitan Area includes the District of Columbia; the Virginia cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park; the Virginia Counties of Fairfax, Arlington, Prince William, Loudoun, and Stafford; and the Maryland Counties of Montgomery, Prince Georges, Charles, Frederick, and Calvert.

Source: Prepared by the Department of Employment Services, Labor Market Information Research Staff in cooperation with the Virginia Employment Commission, Maryland Department of Employment and Training, and the U.S. Bureau of Labor Statistics.

Labor Force Distribution
Washington Metropolitan Area
September 1986 & September 1987
(Percent)

	Labor Force	Employment	Unemployment
	September 1987		
Area	100.0	100.0	100.0
District	16.1	15.5	31.7
Suburbs	83.9	84.5	68.3
	September 1986		
Area	100.0	100.0	100.0
District	15.8	15.1	36.0
Suburbs	84.2	84.9	64.0

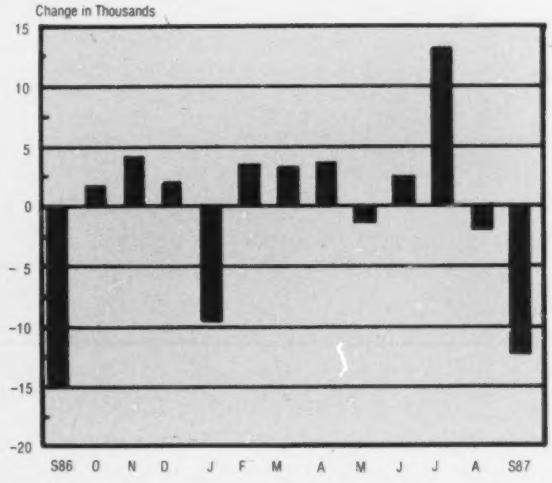
District residents now constitute about 16 percent of the Area's labor force. Over the past year, however, District residents have accounted for about 25 percent of the increase in the Area's employment. As a result, District residents have been able to increase the proportion of Area jobs they hold and decrease their share of total Area joblessness. Future improvement probably depends to a very significant degree on the national economy's ability to stay healthy.

Job Growth

The District

The number of jobs in the District declined by 12,200 between August and September, reflecting the scheduled termination of the summer youth employment program. This anticipated seasonal loss was concentrated in State and Local Government (15,700 jobs) which had been responsible for the sizable July increase. The public sector registered a 6.1 percent monthly loss as a seasonal decline was also recorded in Federal Government (1,200 jobs).

Monthly Job Growth
The District
September 1986-September 1987



The private sector rose by 4,800 jobs with seasonally induced gains in Services (3,600 jobs) and Trade (1,200 jobs). A return to the pre-summer level of business travel and the start of a new school year were the primary contributing factors to the September growth as reflected by gains in All Other Services (1,900 jobs), Hotels (1,400 jobs) and Eating and Drinking Places (800 jobs).

Over the year (September 1986 to September 1987), the number of District jobs rose 1.3 percent for a gain of 8,600 jobs. The private sector created 10,300 jobs for a 2.7 percent rate of growth. Two-thirds of this growth occurred in Services (6,900 jobs) with the leading growth contributors being Hotels (2,200 jobs), All Other Services (1,500 jobs) and Legal Services (1,200 jobs). Growth in Trade of 1,700 jobs resulted primarily from gains in Eating and Drinking Places (1,600 jobs).

In the public sector, Federal Government employment declined by 3,800 jobs while State and Local Government gained 2,200 jobs.

The Suburbs

The number of suburban jobs increased by 4,900 between August and September with seasonal growth in State and Local Government of 12,300 jobs. The private sector declined by 6,300 jobs with losses concentrated in Services (3,200 jobs), Construction (2,300 jobs) and Finance, Insurance and Real Estate (1,200 jobs). The Maryland suburbs were responsible for 63 percent of the decrease in Services while the Virginia suburbs accounted for 57 percent and 67 percent, respectively, of the declines in Construction; and Finance, Insurance and Real Estate.

Total public sector growth of 11,200 jobs, reflecting seasonal hiring by state and local educational systems, was fairly equally distributed between the suburban areas. A reduction of 1,200 jobs by the Federal Government was primarily concentrated in the Virginia suburbs (67 percent), where 52 percent of the State and Local Government growth occurred.

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Wage and Salary Employment by Industry and Place of Work[a] (in thousands)

	District of Columbia			Metropolitan Area		
	Sept. 1987[b]	August 1987[c]	Sept. 1986	Sept. 1987[b]	August 1987[c]	Sept. 1986
Total	**648.1**	**660.3**	**639.5**	**2,048.7**	**2,056.0**	**1,997.4**
Total Private Sector	388.4	383.6	378.1	1,494.4	1,495.9	1,448.7
Total Government	259.7	276.7	261.4	554.3	560.1	548.7
INDUSTRY						
Manufacturing	**15.7**	**15.8**	**15.8**	**85.6**	**85.3**	**85.3**
Total Durables	N/A	N/A	N/A	41.7	41.3	41.9
Stone, Clay, Glass and Concrete Products	N/A	N/A	N/A	3.4	3.4	3.4
Electrical & Electronic Machinery, Equip. & Sup.	N/A	N/A	N/A	21.4	21.5	22.8
All Other Durables	N/A	N/A	N/A	16.9	16.4	15.7
Total Non-Durables	N/A	N/A	N/A	43.8	43.9	43.3
Food & Kindred Products	N/A	N/A	N/A	5.7	5.6	5.4
Printing & Publishing	11.7	11.9	11.9	31.2	31.3	30.8
All Other Non-Durables	N/A	N/A	N/A	7.0	7.0	7.1
All Other Manufacturing	4.0	4.0	3.9	N/A	N/A	N/A
Mining	**0.1**	**0.1**	**0.1**	**0.9**	**0.9**	**1.0**
Construction	**15.1**	**14.9**	**14.2**	**127.4**	**129.5**	**125.0**
Transportation, Communications and Public Utilities	**24.9**	**25.0**	**24.4**	**100.3**	**100.5**	**95.1**
Railroad	N/A	N/A	N/A	5.1	5.1	4.8
Transportation (except Railroad)	N/A	N/A	N/A	44.5	44.5	41.4
All Transportation	9.6	9.6	9.4	N/A	N/A	N/A
Communication and Public Utilities	15.3	15.4	14.9	50.7	51.0	48.9
Trade	**64.8**	**63.6**	**63.1**	**416.0**	**414.8**	**401.4**
Wholesale	8.9	8.9	9.1	77.8	77.6	73.7
Retail	55.9	54.7	54.0	338.3	337.2	327.7
General Merchandise	4.2	4.2	4.7	38.1	38.5	38.0
Food	N/A	N/A	N/A	46.6	46.4	47.4
Automotive	N/A	N/A	N/A	38.8	38.7	37.8
Apparel & Accessories	N/A	N/A	N/A	25.2	25.0	23.8
Eating & Drinking Places	27.6	26.8	26.0	108.4	108.0	103.5
All Other Retail	24.1	23.7	23.3	81.1	80.6	77.4
Finance, Insurance and Real Estate	**36.7**	**36.7**	**36.4**	**121.1**	**122.3**	**116.5**
Banking	7.0	7.0	7.3	21.8	21.9	21.8
All Other	29.7	29.7	29.1	99.3	100.4	94.7
Services	**231.1**	**227.5**	**224.2**	**643.1**	**642.7**	**624.5**
Hotels & Lodging Places	16.3	14.9	14.1	33.7	32.8	31.7
Personal Services	4.0	4.0	4.1	23.6	23.8	22.6
Business Services	50.8	50.2	50.1	N/A	N/A	N/A
Health Services	34.1	34.1	33.2	N/A	N/A	N/A
Legal Services	24.0	24.3	22.8	N/A	N/A	N/A
Membership Organizations	30.6	30.4	29.8	N/A	N/A	N/A
All Other Services	71.5	69.6	70.0	585.9	586.2	570.3

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Wage and Salary Employment by Industry and Place of Work[a] (in thousands)

	District of Columbia			Metropolitan Area		
	Sept. 1987[b]	August 1987[c]	Sept. 1986	Sept. 1987[b]	August 1987[c]	Sept. 1986
Government	**259.7**	**276.7**	**261.4**	**554.3**	**560.1**	**548.7**
Federal Government	207.5	208.7	211.3	352.7	355.1	354.2
State & Local Government	N/A	N/A	N/A	201.6	205.0	194.5
State & Local (ex. Pub. Transportation)	47.5	63.2	45.2	N/A	N/A	N/A
Public Transportation	4.8	4.8	4.9	N/A	N/A	N/A

a. Detail may not add to totals due to independent rounding. b. Preliminary c. Revised.

Data includes all full- and part-time employees who worked during or received pay for any part of the pay period which includes the 12th of the month. Proprietors, self-employed, unpaid family workers, and private household workers are excluded.

Source: Prepared by the Department of Employment Services, Division of Labor Market Information Research Staff in cooperation with the Virginia Employment Commission, Maryland Department of Employment and Training, and the U.S. Bureau of Labor Statistics.

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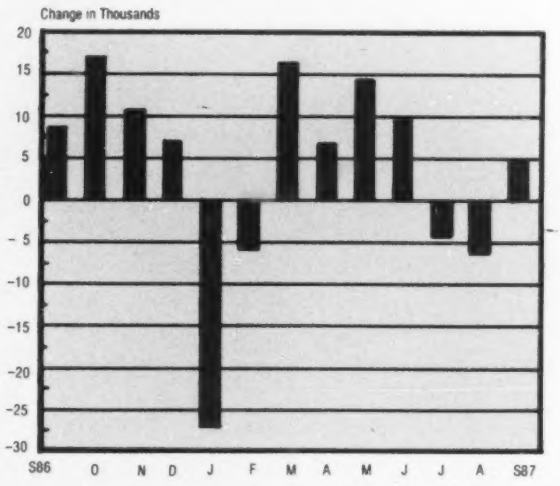
Public sector growth of 7,300 jobs, resulting from gains in both Federal Government (2,300 jobs) and State and Local Government (4,900 jobs), was concentrated in the Virginia suburbs (78 percent).

Monthly Job Growth
The Suburbs
September 1986-September 1987



Over the year (September 1986 to September 1987), suburban jobs grew at a rate of 3.1 percent, for a gain of 42,700 jobs. The Virginia suburbs, accounting for 57 percent of suburban growth, increased at a rate of 3.7 percent while the Maryland suburbs grew at a rate of 2.6 percent. Private sector growth accounted for 83 percent of new suburban jobs with the leading contributors, Trade (12,900 jobs) and Services (11,700 jobs), responsible for creating approximately 7 out of every 10 non-government jobs. The Virginia suburbs received just over half (51 percent) of the new jobs in Trade and Services.

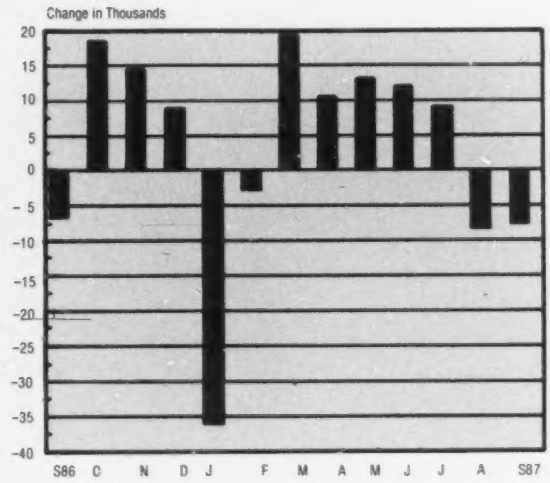
The Area

The Washington Metropolitan Area lost 7,300 jobs between August and September, reflecting the sizable seasonal public sector decline in the District. The private sector decreased by 1,500 jobs with losses concentrated in Construction (2,100 jobs) and Finance, Insurance and Real Estate (1,200 jobs). These losses were primarily seasonal in nature as was the increase in Trade (1,200 jobs).

The public sector accounted for 79 percent of the monthly job loss with seasonal declines in Federal Government (2,400 jobs) and State and Local Government (3,400 jobs). The

Federal Government reduction was equally distributed between the District and its suburbs while the drop in State and Local Government jobs was confined to the District.

Monthly Job Growth
The Area
September 1986-September 1987



Over the year (September 1986 to September 1987), the area created 51,300 jobs for a growth rate of 2.6 percent. The private sector accounted for 89 percent of total new jobs growing at a rate of 3.2 percent for a net gain of 45,700 jobs. The leading job producers, Services (18,600 jobs) and Trade (14,600 jobs), accounted for 65 percent of area job growth. Services growth was slightly higher in the District, 3.1 percent versus 2.9 percent in the suburbs, while the rate of job growth in Trade was 41 percent higher in the suburbs.

Public sector growth of 5,600 jobs over the year occurred as growth in State and Local Government (7,100 jobs) negated a 1,500 job reduction in Federal Government. Federal Government losses were confined to the District which accounts for 59 percent of area federal jobs.

Area Job Growth Rates

Over the past 35 months (October 1984 to September 1987), the Washington Area has created new jobs at a rate of 4.6 percent. Measured by monthly over-the-year changes, however, the rate of growth has been steadily declining after peaking at 6.8 percent in December of 1984. Between September 1986 and September 1987, the Area's job growth slowed to 2.6 percent.

Profile of Job Growth Rates
October 1984 to September 1987

The Area	
Average 35 months	4.6%
High, December 1984	6.8%
Low, August 1987	2.6%
Current month	2.6%
The Suburbs	
Average 35 months	5.9%
High, January 1985	8.4%
Low, September 1987	3.1%
Current month	3.1%
The District	
Average 34 months	2.2%
High, October 1984	4.4%
Low, July 1986	0.5%
Current month	1.3%

The Suburban portion of the Area is still the generator of most of the new jobs, having grown over the past year at a rate of 3.1 percent, but below its 35-month long-term average of 5.9 percent. The over-the-year growth this September was the lowest during the 35-month span for the Area and the Suburbs. Over the past year, the District proper has added new jobs at a rate of 1.3 percent and, like the Suburbs, below its 35-month average of 2.2 percent.

In absolute terms, job creation in the Area has declined from 104,200 new jobs pro-

Continued on page 18 ***(See Growth)***

Profiles

Industrial Employment:

Services Industry Growth in the District 1976-1986

Over the recent past, the Services industry has been the driving force behind job growth in the District. During the last 10 years (1976 thru 1986), Services in the District have grown at an annual rate of 4.2 percent. This rate of growth, only 0.5 of a percentage point below the substantial national services growth over the period, has resulted in the creation of 74,300 jobs. This represents an increase of 51 percent. By contrast, total jobs in the District increased by only 64,400 during the period.

The greatest period of Services growth in the District was during the years 1978 thru 1980. During this period Services in the District actually grew faster than U.S. Services, despite the fact that during this time Services nationally recorded its highest annual growth rate of the 10-year span.

In the span following 1980, Services growth in the District failed to keep pace with growth in Services nationally. The impact of the 1982 national recession was reflected in the District. During 1983, Services recorded its lowest growth (1.1 percent) for the period. Viewed in this perspective, it appears that increased federal contracting has probably not led to an increased level of Services growth in the District.

Over the last 5 years, 1981 to 1986, the leading job growth component within the Services industry has been Business Services.[1] Growing at an annual rate of 6.6 percent, Business Services created 13,200 jobs. Nationally, this sector was also the leading growth contributor, growing at 8.0 percent annually. The highest annual rate of growth among District Services was recorded by Hotels which grew at 6.8 percent a year and contributed 3,900 new jobs.[2] Substantial annual growth was also recorded in Legal Services (5.7 percent) and Health Services (4.0 percent) which created a total of 5,500 and 5,800 jobs, respectively. The lowest annual growth rate was registered by Membership Organizations (0.4 percent) while Personal Services recorded the smallest growth in number of jobs at 200.

SERVICES INDUSTRY
ANNUAL GROWTH RATES
(Percent)

	D.C.	U.S.
1977	2.7	5.2
1978	7.1	6.2
1979	7.0	5.3
1980	5.2	4.5
1981	3.5	4.1
1982	2.3	2.2
1983	1.1	3.5
1984	4.9	5.6
1985	4.4	5.8
1986	3.8	5.0
1976-1986	4.2	4.7

COMPONENTS OF THE SERVICES INDUSTRY
ANNUAL RATE OF CHANGE
1981 - 1986
(Percent)

	D.C.	U.S.
HOTELS	6.8	4.6
PERSONAL	1.0	3.9
BUSINESS	6.6	8.0
HEALTH	4.0	3.3
LEGAL	5.7	7.0
MEMB. ORG.	0.4	*
OTHER	1.1	4.1

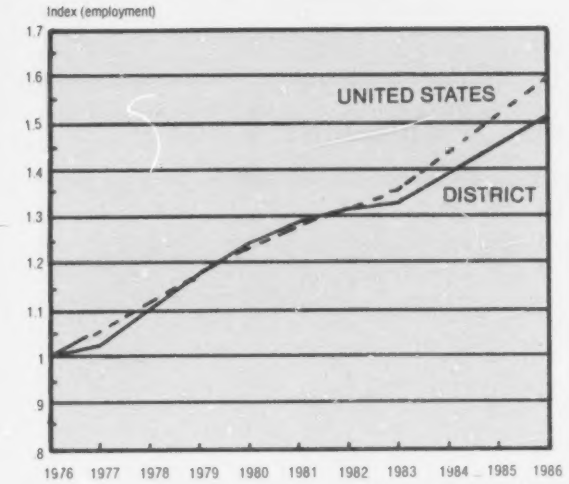
* LESS THAN 0.1

Over the period, 1986-2000, the Bureau of Labor Statistics projects the U.S. Services industry to grow at an annual rate of 2.7 percent. If the relationship which existed in

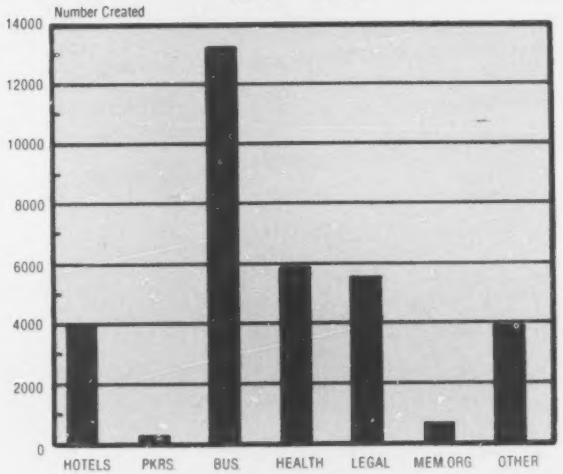
1. (See: November 21, 1986 edition of the *Area Labor Summary* for a profile of the Business Services Industry.)

2. (See: March 21, 1986 edition of the *Area Labor Summary* for a profile of the Hotel Industry.)

Services Industry
1976 — 1986



Job Growth In Components
Of The Services Industry
1981—1986



the last 10 years were true for the next 14 years, Services in the District would grow at an annual rate of 2.4 percent. This would equate to 87,000 new jobs being added to the District economy by the year 2000. If the other industrial sectors were to remain constant at the 1986 level, growth in Services would result in District job growth of 0.9 percent annually over the period.

Labor Force:
Education and The Labor Market

In March of each year, special statistics on employment and unemployment are collected as a supplement to the Current Population Survey (CPS), the household survey used by the Bureau of Labor Statistics (BLS) to measure the status of the national labor force. Recently, the Bureau issued a press release concerning the link between education and success in the labor market. Because the CPS sample in the District, the Washington Area and most other states is so small, comparable data is not available locally. Nevertheless, important local implications can be drawn from the national findings. The press release contained a table showing the changes in educational attainment and labor force status over the past 10 years (1977 and 1987). The BLS table has been reproduced below.

Some important observations and highlights:

Persons (adults 25 to 64 years old) with less than a high school education had an unemployment rate in March 1987 nearly **six times** higher than college graduates (11.1 percent vs. 2.3 percent).

The unemployment rate was in double digits for **all** persons without a high school education—with the highest rates being among blacks (14.8 percent) and Hispanics (12.0 percent).

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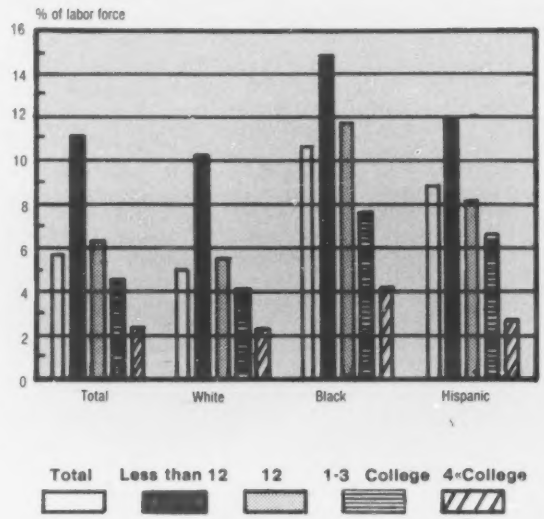
Furthermore, participation in the labor force by persons with less than a high school education was also very low (60.9 percent for all) and, especialy so, among blacks (58.8 percent).

Fourteen percent of all white workers dropped out of high school compared to 24 percent of the blacks and 40 percent of the Hispanics.

However, proportionally more blacks completed 4 years of high school in the 1987 survey (42.4 percent) than was the case in the survey 10 years ago (34.5 percent).

Black and Hispanic workers are also much less likely than white workers to hold a college degree. About 1 in 4 white workers in the survey attended college for 4 or more years, compared with 1 out of 7 blacks and only 1 out of 9 Hispanics.

Unemployment Rates By Education
United States-March 1987



Labor Force Status of Persons 25 to 64 Years Old
By Years of School Completed, March 1977 and March 1987

Labor Force Status and Years of School Completed	Total		White		Black		Hispanic Origin	
	1977	1987	1977	1987	1977	1987	1977	1987
Civilian labor force distribution	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 4 years of high school	25.0	14.9	23.0	13.9	42.9	23.6	52.2	40.3
4 years of high school	39.3	40.2	44.0	40.0	34.5	42.4	27.8	32.4
1 to 3 years of college	15.6	19.7	16.0	19.6	12.5	19.9	11.7	16.3
4 years of college or more	20.1	25.3	21.0	26.1	10.2	14.1	8.2	11.0
Labor force participation rate	71.8	77.2	71.8	77.5	71.4	74.7	66.6	72.9
Less than 4 years of high school	61.7	60.9	61.6	61.6	62.3	58.8	59.6	63.9
4 years of high school	71.7	76.6	71.2	76.6	77.0	77.6	72.1	77.1
1 to 3 years of college	76.9	81.9	76.5	81.6	81.6	84.5	81.2	83.4
4 years of college or more	84.9	88.1	84.8	88.2	90.7	90.4	84.7	88.1
Unemployment rate	5.7	5.7	5.3	5.0	9.6	10.6	9.1	8.8
Less than 4 years of high school	8.9	11.1	8.4	10.2	11.2	14.8	11.2	12.0
4 years of high school	5.5	6.3	5.1	5.5	9.5	11.7	7.5	8.1
1 to 3 years of college	4.9	4.5	4.5	4.1	10.1	7.6	6.6	6.6
4 years of college or more	2.7	2.3	2.7	2.2	2.7	4.2	4.5	2.6

SOURCE: Bureau of Labor Statistics

Unemployment rates were the lowest among persons with a college degree. However, the unemployment rate for black college graduates at 4.2 percent in 1987 is nearly double the rate (2.3 percent) for all college graduates. Ten years ago the black rate at 2.7 percent was exactly the same as for all workers with a degree. So there has been some relative deterioration in the advantage a college education has for black workers in America.

While the unemployment rates for both March of 1977 and 1987 were exactly the same (5.7 percent), the 1987 unemployment rates for both dropouts and high school graduates were **higher** than in 1977. On the other hand, the March 1987 unemployment rates for persons with some college or a college degree were **lower** than in 1977. This seems to indicate that the labor market is now demanding a higher level of education than it did 10 years ago.

Projecting these education and labor force patterns into the future has significant implications for both the Nation and the Washington Area. The future labor force will be composed of a larger proportion of minority workers who currently have the highest drop-out rates and the lowest rates of advanced education. The future will also be characterized by a smaller supply of new workers, thus, it will become necessary to increase the current very low minority labor force participation. But the highest rates of participation are achieved by groups with the highest levels of education. Thus, increased minority participation is linked to increased education.

As in the past, individual success in the labor market and a strong national and local economy in the future will only be assured through high levels of education and training.

Copies of the BLS press release titled, *"Labor Market Success Continues To Be Linked To Education"*, dated September 28, 1987 may be obtained by calling BLS at (202) 523-1913.

Unemployment Rates

Metropolitan Areas

In August 1987, the Bureau of Labor Statistics ranked 269 Metropolitan Statistical Areas (MSAs) by preliminary unemployment rates. Historically, the Washington Area's jobless rate remains constant between July and August. The decline in the civilian labor force and employment due to students returning to the classrooms was offset by new entrants into the labor market and thus no rise in the unemployment rate. This August the rate declined from 3.4 percent in July to 3.2 percent in August. This was the twenty-fourth lowest rate of all 269 areas reporting. A year ago, the rate was 3.5 percent.

Comparing the Washington Area with other large metropolitan areas nationwide, the Washington Area's rate at 3.2 percent was the second lowest rate recorded for all major metropolitan areas. The Boston Area had the lowest rate at 2.5 percent. A year ago, the Boston rate was 3.3 percent. The Baltimore Area, only 35 miles north of Washington, recorded an August rate of 4.3 percent, down from 4.5 percent in July. A year ago, it was 4.9 percent. The Richmond-Petersburg Area, 110 miles to the south of Washington, had an August jobless rate of 3.6 percent, down from 3.7 percent in July. A year ago, it was 4.2 percent. A year ago, the Washington rate was 3.5 percent.

States

When the District of Columbia (with an August preliminary unemployment rate of 6.1 percent) was ranked with the 50 states, the District had the nineteenth highest jobless rate

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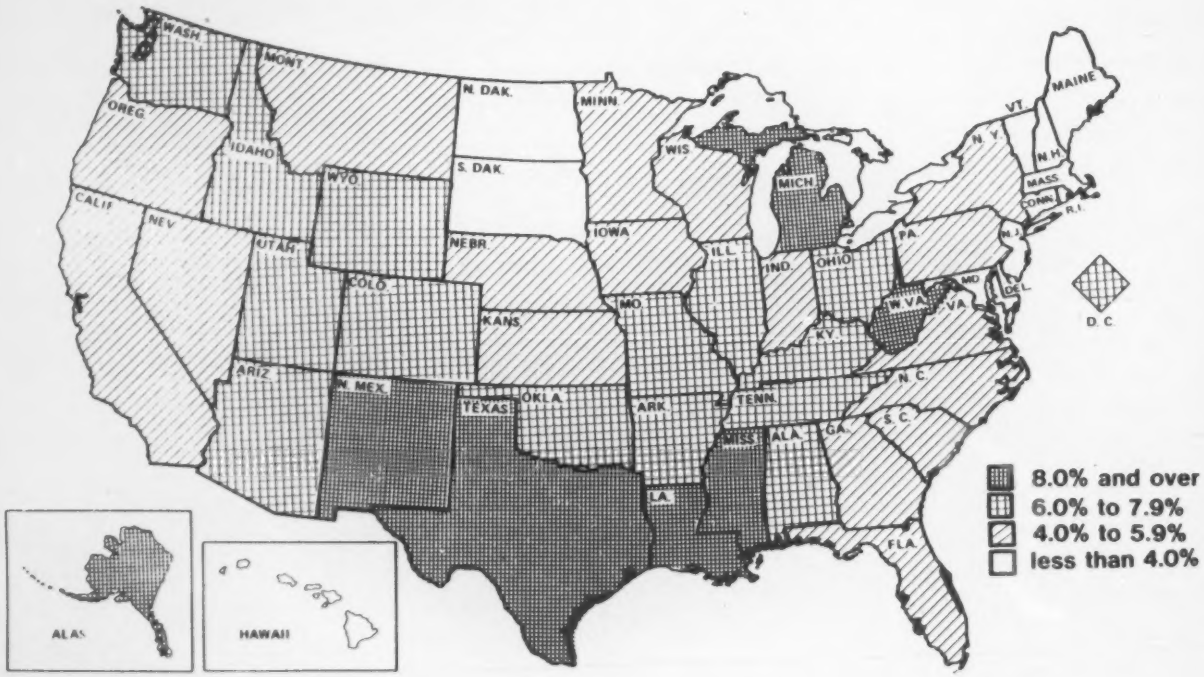
Unemployment Rates by State, August 1987



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in the country. This was one notch above the July standing. Virginia's rate at 4.1 percent was down from 4.3 percent in July. Maryland's rate also was down from 4.2 percent to 3.9 percent in August. Virginia and Maryland ranked thirty-ninth and fortieth, respectively, in the standing of the 51 jurisdictions.

Twenty-nine states reported rates at or below the national unadjusted rate of 5.8 in August. The District of Columbia's rate, at 6.1 percent, was above by a small fraction. Maryland and Virginia were below the national rate.

Of the states reporting over-the-year decreases in unemployment rates for August, 37 states plus the District of Columbia had declines of 1 percentage point or more. The largest were in Louisiana (3.5 points), Oklahoma (2.9 points), Alabama (2.7 points), and Mississippi (2.6 points).

New Hampshire, at 2.1 percent, had the lowest unemployment rate for August. Delaware and Massachusetts (both 2.9 percent) reported the next lowest rates. Louisiana, at 10.3 percent, was the only state with a rate in double digits. Mississippi (9.8 percent) and Alaska and West Virginia (both 9.1 percent) had the next highest unemployment rates.

Cities

In comparison with 25 selected central cities, the District of Columbia (with a preliminary rate of 6.1 percent) had the eighteenth lowest jobless rate. This was up two notches from the July position at twentieth. In August, the average unemployment rate of all 26 cities was 7.5 percent. Of the 26 cities, twenty-three reported lower jobless rates and three reported higher rates. Ten (10) of the selected cities have jobless rates of 6.5 or less. Both the District of Columbia and Baltimore fall under this category.

Unemployment Rates in Selected Cities*

City	August 1987*	August 1986
1. Gary, Indiana	13.9	20.2
2. Detroit, Michigan	11.7	10.7
3. Cleveland, Ohio	9.6	11.8
4. St. Louis, Missouri	9.5	9.7
5. New Orleans, Louisiana	9.5	12.1
6. Houston, Texas	9.4	11.6
7. Dayton, Ohio	9.0	10.1
8. Birmingham, Alabama	8.6	11.5
9. Newark, New Jersey	8.3	9.4
10. Chicago, Illinois	7.9	9.4
11. Miami, Florida	7.4	8.3
12. Dallas, Texas	7.4	6.6
13. Buffalo, New York	7.3	9.8
14. Atlanta, Georgia	6.9	7.5
15. Cincinnati, Ohio	6.7	8.3
16. Los Angeles, California	6.6	8.7
17. Baltimore, Maryland	6.5	7.8
18. District of Columbia	**6.1**	**7.6**
19. Pittsburgh, Pennsylvania	6.1	6.8
20. Philadelphia, Pennsylvania	6.0	6.8
21. Milwaukee, Wisconsin	5.9	7.6
22. Salt Lake City, Utah	5.9	5.4
23. Columbus, Ohio	5.8	6.4
24. New York, New York	5.1	6.9
25. San Francisco, California	4.7	5.7
26. Boston, Massachusetts	3.4	4.4

*Preliminary unemployment rates.

The District's rate normally is much higher than the Baltimore rate. But in the last months, the trend reversed itself. In August, the former was 6.1 percent while the latter was 6.5 percent. Double digit jobless rates were reported in only two selected cities—Gary (13.9 percent) and Detroit (11.7 percent). Boston had the lowest rate at 3.4 percent, followed by San Francisco at 4.7 percent. The largest over-the-year declines in joblessness were in Gary (6.3 percent), Birmingham (2.9 percent), New Orleans (2.6 percent) and Buffalo (2.5 percent). Over the year, Detroit reported a 1.0 percentage point increase.

Departments

Unemployment Insurance Activities

There were 2,710 claims taken for unemployment compensation benefits by the District of Columbia in September 1987. This represented a six percent drop from August, and was 9 percent below September of 1986. In a slightly contrasting pattern, the weeks actually compensated in September (35,590), were 1 percent above last month, but four percent below the same month last year. The $6.3 million benefit outlay was one and two percents, respectively, above last month and September 1986; showing a further pattern shift.

The average payment per week rose less than a percentage point over the month to $175.93, further signaling the leveling-off in the trend for this measure. The rise in the average began in January 1986 when the maximum weekly benefit amount changed by law from $206 to $250. The average per week at that point was $151 and has increased at varying rates until the high point ($178) was reached in June 1987.

The benefit outlay per quarter through September of this year has been declining consistently. The first quarter payout totalled $20.8 million, with the second and third quarter outlays at $19.3 million and $18.8 million, respectively. The trend was the exact opposite in 1986, with expenditures for benefits at $18.2, $18.5, and $19.0 million, respectively. This is another perspective of the effect which the rise in the maximum weekly benefit amount at the beginning of

Continued on page 16

Selected Unemployment Insurance Benefit Statistics
(Regular Programs)
District of Columbia
September 1987

	Sept. 1987	August 1987	Sept. 1986	Percent Change From August 1987	Percent Change From Sept. 1986
State UI Program[a]					
Initial Claims Taken	2,558	2,735	2,792	- 6.5	- 8.4
Weeks of Unemployment Claimed	34,244	34,635	36,087	- 1.1	- 5.1
Weeks of Unemployment Compensated	32,978	32,635	33,813	+ 1.1	- 2.5
Total Benefits Paid	$5,758,225	$5,671,730	$5,480,389	+ 1.5	+ 5.1
Average Weekly Benefit Payment	$174.61	$173.79	$162.08	+ 0.5	+ 7.7
Number of First Payments	1,448	1,533	1,581	- 5.5	- 8.4
Number of Final Payments	1,060	900	934	+17.8	+13.5
Total Beneficiaries	8,980	9,168	9,642	- 2.1	- 6.9
Federal Program[b]					
Initial Claims Taken	116	112	130	+ 3.6	-10.8
Weeks of Unemployment Claimed	2,314	2,307	2,837	+ 0.3	-18.4
Weeks of Unemployment Compensated	2,216	2,203	2,888	+ 0.6	-23.3
Total Benefits Paid	$430,561	$432,719	$558,760	- 0.5	-22.9
Average Weekly Benefit Payment	$194.30	$196.42	$193.48	- 1.1	+ 0.4
Number of First Payments	100	90	125	+11.1	-20.0
Number of Final Payments	89	87	84	+ 2.3	+ 6.0
Total Beneficiaries	585	617	782	- 5.2	-25.2
Ex-Servicepersons Program[c]					
Initial Claims Taken	39	40	62	- 2.5	-37.1
Weeks of Unemployment Claimed	486	455	565	+ 6.8	-14.0
Weeks of Unemployment Compensated	399	388	472	+ 2.8	-15.5
Total Benefits Paid	$73,024	$70,962	$88,286	+ 2.9	-17.3
Average Weekly Benefit Payment	$183.02	$182.89	$187.05	+ 0.1	- 2.2
Number of First Payments	31	34	49	- 8.8	-36.7
Number of Final Payments	24	24	27	0.0	-11.1
Total Beneficiaries	118	122	147	- 3.3	-19.7
Total—All Programs					
Initial Claims Taken	2,713	2,887	2,984	- 6.0	- 9.1
Weeks of Unemployment Claimed	37,044	37,397	39,489	- 0.9	- 6.2
Weeks of Unemployment Compensated	35,593	35,226	37,173	+ 1.0	- 4.3
Total Benefits Paid	$6,261,810	$6,175,411	$6,127,435	+ 1.4	+ 2.2
Average Weekly Benefit Payment	$175.93	$175.31	$164.84	+ 0.4	+ 6.7
Number of First Payments	1,579	1,657	1,755	- 4.7	-10.0
Number of Final Payments	1,173	1,011	1,045	+16.0	+12.2
Total Beneficiaries	9,683	9,907	10,571	- 2.3	- 8.4

a. Includes joint claims with Unemployment Compensation for Federal Employees (UCFE), and/or Unemployment Compensation for Ex-Servicepersons (UCX).
b. Includes joint claims with Unemployment Compensation for Ex-Servicepersons (UCX).
c. No joint claims.

Continued from page 15

the year had on the total quarterly outlay. The number of weeks actually compensated decreased each quarter in 1986 and in 1987. Since the average weekly benefit amount had become more stable (although at a higher level than 1986) beginning in 1987, the number of weeks compensated and the total outlay both showed the same declining trend in 1987 in contrast to opposing trends in 1986.

Following the same general rationale, the outlay ($58.9 million) through September 1987 was 6 percent above the $55.7 million payout for the first nine months of 1986. There were 346,660 weeks actually compensated in 1986, compared to 337,690 in

1987. The rise in the 1987 outlay was totally attributable to the increase in the average weekly benefit paid in 1987. The chart that follows gives a comparative analysis of the benefit payment activities through the first nine months of 1986 and 1987:

	1986	1987	Change
Weeks Compensated	346,655	337,693	-8,962
Total Outlay	$55,701,293	$58,874,947	+$3,173,654
Average Weekly Benefit	$ 160.68	$ 174.34	+$13.66

Area Consumer Price Index

The Consumer Price Index for All Urban Consumers (CPI-U) for the Washington, D.C. Metropolitan Statistical Area rose 1.4 percent to 347.8 (1967=100) during the two months ended in September. For the 12-months ended in September, the CPI-U rose 4.7 percent.

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) rose 1.6 percent from July to September. The September level of 350.8 was 4.8 percent higher than the index in September 1986.

Nationally, the U.S. city average for the CPI-U increased 1.1 percent for the July-September period, thus both the local and the national indexes are advancing at about the same pace. For the last 12 months, however, the local index increased 4.7 percent versus a 4.3 percent increase for the Nation.

Locally, the July-September increase was characterized by an acceleration in apparel and upkeep, energy, other goods and services, and housing which were somewhat offset by a slowing in the increase of all other major components, particularly in entertainment and transportation.

Washington, D.C. Area Consumer Price Index
(All Urban Consumers — CPI-U)[a]

Expenditure Category	Sept. 1987	Percent Change 2 months Ago	Percent Change Year Ago
All Items			
U.S.	344.4	1.1	4.3
Washington Area	347.8	1.4	4.7
Food & Beverage	338.9	0.3	3.4
Housing	372.3	1.8	5.4
Apparel & Upkeep	250.6	8.9	5.5
Transportation	311.8	-0.7	3.9
Medical Care	479.1	0.9	4.7
Entertainment	277.4	-1.8	3.0
Other Goods & Services	370.0	2.1	5.4
Special Index:			
Energy[b]	174.6	2.6	8.5

[a] 1967=100, except as noted.
[b] June 1979=100

Source: U.S. Department of Labor, Bureau of Labor Statistics; table prepared by the Department of Employment Services, Labor Market Information Research Staff.

Comparing the local CPI-U with the U.S. city average over the two-month period, prices of apparel and upkeep, housing and energy tend to be relatively higher locally. On the other hand, entertainment and transportation tend to be relatively higher nationally.

Hours and Earnings in Manufacturing

Total Manufacturing Average Weekly Earnings in the Metropolitan Area for the month of September 1987 dropped $19.02. Average Hourly Earnings went up 0.6 hour. Average Hourly Earnings increased 32 cents.

Printing and Publishing showed a substantial increase as Weekly Earnings increased

Earnings of Production Workers in Manufacturing
Washington Metropolitan Area
September 1987

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Sept. 1987	Aug. 1987	Sept. 1986	Sept. 1987	Aug. 1987	Sept. 1986	Sept. 1987	Aug. 1987	Sept. 1986
Total Manufacturing	**434.27**	**415.25**	**405.43**	**39.3**	**38.7**	**39.4**	**11.05**	**10.73**	**10.29**
Durable Goods	**447.81**	**411.00**	**383.55**	**43.1**	**41.1**	**41.6**	**10.39**	**10.00**	**9.22**
Stone, Clay & Glass Products	462.74	477.24	446.29	45.5	45.8	46.2	10.17	10.42	9.66
Electric Machinery, Equipment & Supplies	536.79	449.12	412.76	47.8	40.1	41.4	11.23	11.20	9.97
Other Durbable Goods	382.20	361.58	345.47	39.2	40.4	40.5	9.75	8.95	8.53
Non-Durable Goods	**423.54**	**419.15**	**426.31**	**36.2**	**36.8**	**37.2**	**11.70**	**11.39**	**11.46**
Food & Kindred Products	414.69	449.55	476.40	34.5	37.0	38.7	12.02	12.15	12.31
Printing & Publishing	464.46	438.61	453.23	36.4	35.4	35.8	12.76	12.39	12.66
Other Non-Durable Goods	307.75	338.20	343.20	36.9	40.6	41.3	8.34	8.33	8.31

Total Production Workers	**September 1987**	**August 1987**	**September 1986**
	42,300	**41,900**	**41,300**

*Break taken in series between December 1986 and January 1987, data not comparable to previous years.

$25.85. Weekly Hours went up 1 hour and Hourly Earnings went up 37 cents. The increase was due to more overtime being worked.

Stone, Clay and Glass Products had a drop in Weekly Earnings of $14.50. Weekly Hours were down 0.3 hours and Hourly Earnings dropped 25 cents an hour. Less overtime worked accounted for the decrease.

Electric Machinery Equipment and Supplies had more overtime. The Hourly Earnings jump in Other Durable Goods was due to a pay increase. Food and Kindred Products also had less overtime as did Other Non-Durable Goods.

(Growth) *Continued from page 9*

duced between September 1984 and September 1985 to 51,300 between September 1986 and this past September. Over the past year, 42,700 new jobs were added to the suburban economy and 8,600 in the District. Still, the Washington Area is currently creating new jobs at a slightly faster pace than the U.S. economy (2.6 percent versus 2.4 percent for the Nation).

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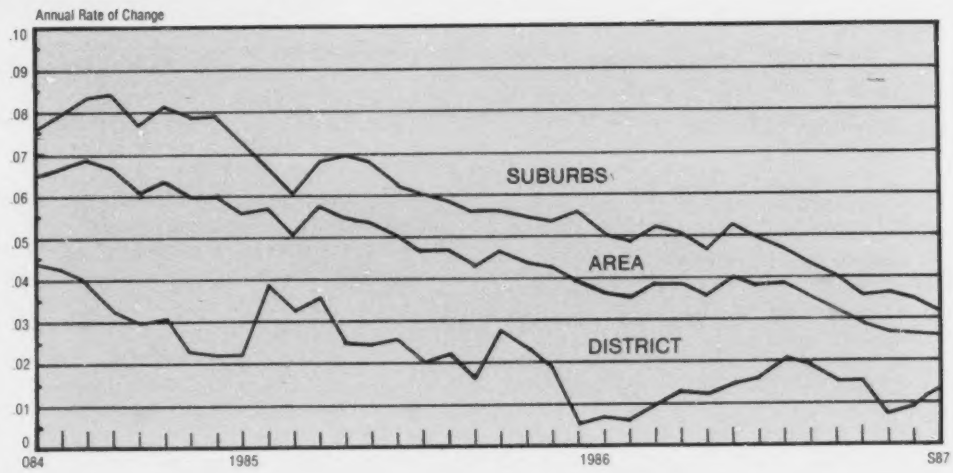
October 1984 to September 1987



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